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PUBLIC UTILITY COMMISSION
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WES ANDERSON, BRADLEY K. §
BAKER, ETHEL BARRETT, GAIL §
STEPHENS ACEBO, MARY ERATO, §
PRISCILLA A. FERGUSON, GLADYS §
H. FLOYD, RANDOLPH R. HANSEN, §
ROBERT HARDOIN, STEPHEN J. §
JONES, DARIN REESER, VICTORIA §
RISINGER, ALLYN WATKINS, JILL §
WESTBROOK, JENNIFER L. WIKE, §
FANG YIU, ASHLEY SANDERS, §
JAMIE TAYLOR, STEPHANIE §
TAYLOR, GEORGE H. KRUG, III, §
MARGIE C. KRUG, MARK §
LEJSEKON AND M'RAL LEJSEKON §
on behalf of themselves and for all §
others similarly situated Plaintiffs §

v. §

QUADVEST LP, QUADVEST INC., §
RANCH UTILITIES CORP., and §
RANCH UTILITIES, L.P., §
Defendants §

IN THE PUBLIC UTILITY
COMMISSION OF TEXAS

PLAINTIFFS' FORMAL COMPLAINT WITH THE PUC

NOW COMES Wes Anderson, Bradley K. Baker, Ethel Barrett, Gail Stephens Acebo, Mary Erato, Priscilla A. Ferguson, Gladys H. Floyd, Randolph R. Hansen, Robert Hardoin, Stephen J. Jones, Darin Reeser, Victoria Risinger, Allyn Watkins, Jill Westbrook, Jennifer L. Wike, Fang Yiu, Ashley Sanders, George H. Krug, III, Margie C. Krug, Jamie Taylor, Stephanie Taylor, Mark Lejsekon and M'Ral Lejsekon on behalf of themselves and for all other members of the class herein, Plaintiffs herein, and file this Original Class Action Petition against QUADVEST LP, QUADVEST INC., RANCH UTILITIES CORP., and RANCH UTILITIES, L.P., (collectively referred to as "Quadvest") herein, and in support thereof, show the Court the following:

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PROCEDURAL REQUIREMENTS

It is believed that all of the Plaintiffs have filed informal complaints with the PUC and Quadvest.

REQUEST TO PROCEED IN DISTRICT COURT

Because this case involves hundreds, if not thousands, of houses, and involves areas governed by Texas common law torts and the Texas DTPA, Plaintiffs respectfully request the PUC waive any jurisdictional requirements and allow this case to proceed in District Court. Pursuant to established Texas law, Plaintiffs have also filed a class action lawsuit in District Court because the PUC does not have exclusive jurisdiction over tort claims or DTPA claims against Quadvest. *Penny v. Sw. Bell Tel. Co.*, 906 F.2d 183, 186 (5th Cir. 1990); *Dolenz v. Southwestern Bell Tel. Co.*, 730 S.W.2d 44 (Tex.App.-Houston [14th Dist.] 1987, no writ); *Calarco v. Southwestern Bell Tel. Co.*, 725 S.W.2d 304 (Tex.App.-Houston [1st Dist.] 1986, writ ref'd n.r.e.); *Southwestern Bell Tel. Co. v. Nash*, 586 S.W.2d 647 (Tex.Civ.App.-Austin 1979, no writ); *Southwestern Bell Tel. Co. v. Reeves*, 578 S.W.2d 795 (Tex.Civ.App.-Houston [1st Dist.] 1979, writ ref'd n.r.e.); *DFW Metro Line Services v. Southwestern Bell Telephone Co.*, 901 F.2d 1267 (5th Cir.1990).

PARTIES AND SERVICE

Plaintiff Wes Anderson resides at 10703 Mystic Cove, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Bradley K. Baker resides at 9619 Deer Path Lane, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Ethel Barrett resides at 11018 Lake Windcrest, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Gail Stephens Acebo resides at 10614 Serenity Sound, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Mary Erato resides at 32643 Green Bend Court, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Gladys H. Floyd resides at 10118 Clubhouse Circl, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Randolph R. Hansen resides 10314 Serenity Sound, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Robert Hardoin resides 32951 Sawgrass Court, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Stephen J. Jones resides 32811 Sawgrass Court, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Darin Reeser resides to 10615 Crystal Cove Drive, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Victoria Risinger resides at 11511 Harbor Way, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Allyn Watkins resides at 40610 Ithaca Lane, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Priscilla A. Ferguson resides at 17111 Sheffield Park Drive, Magnolia, TX 77433 and is a resident of Montgomery County, Texas.

Plaintiff Jill Westbrook resides at 9426 Deer Path Lane, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Jennifer L. Wike resides at 9811 Crestwater Circle, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Fang Yiu resides at 29827 Edgewater Drive, Magnolia, TX 77354 and is a resident of Montgomery County, Texas.

Plaintiff Ashley Sanders resides at 12130 Clara Lane, Pinehurst, TX 77362 and is a resident of Montgomery County, Texas.

Plaintiffs Jamie and Stephanie Taylor reside at 33010 Sawgrass Ct., Magnolia, Texas 77354 and are residents of Montgomery County, Texas.

Plaintiffs George H. Krug, III and Margie C. Krug reside at 9826 Clubhouse Circle, Magnolia, TX 77354 and are residents of Montgomery County, Texas.

Plaintiffs Mark and M'Ral Lejsek reside at 10711 Mystic Cove, Magnolia, TX 77354 and are residents of Montgomery County, Texas.

Defendant QUADVEST LP, at relevant times was a for-profit corporation organized under the laws of the State of Texas doing business throughout the State of Texas. Defendant may be served with process by serving the registered agent of said company: GARY S SEQUEIRA, P O BOX 811, CYPRESS, TX 77429.

Defendant QUADVEST INC., at relevant times was a for-profit corporation organized under the laws of the State of Texas doing business throughout the State of Texas. Defendant may be served with process by serving the registered agent of said company: GARY S SEQUEIRA, P O BOX 811, CYPRESS, TX 77429.

Defendant RANCH UTILITIES CORP., at relevant times was a for-profit corporation organized under the laws of the State of Texas doing business throughout the State of Texas. Defendant may be served with process by serving the registered agent of said company: GARY S SEQUEIRA, 13418 TALL FOREST, CYPRESS, TX 77429.

Defendant RANCH UTILITIES, L.P., at relevant times was a for-profit corporation organized under the laws of the State of Texas doing business throughout the State of Texas. Defendant may be served with process by serving the registered agent of said company: SIMON SEQUEIRA, 26926 FM 2978, MAGNOLIA, TX 77354.

FACTS

After the installation of "smart meters" Plaintiffs and the Class Members saw their alleged water usage increase more than 300%. For years, Plaintiffs and the Class Members averaged between 7,000 to 20,000 gallons of water usage a month. Beginning in July of 2016, Plaintiffs and the Class Members alleged water usage increased to between 50,000 to 100,000 gallons of water usage a month with no changes to the amount of water actually used by Plaintiffs at their houses.

This has been documented by the media:

<http://abc13.com/news/residents-left-with-outrageous-water-bills-in-tomball-area/1545179/>

<http://www.click2houston.com/news/high-water-bills-leave-residents-befuddled>

By way of just a few examples, in June of 2016, according to Quadvest, Ethel Barrett used 13,000 gallons of water at her house. Followed by 24,000 gallons in July. Then in August she allegedly used 52,000 gallons of water, and in September she allegedly used 65,000 gallons of water. Nothing significant occurred at Ethel Barrett's home that would explain this massive increase in alleged water usage. Ethel Barrett's water bill went from \$130.14 to \$405.78.

In July of 2016, according to Quadvest, Victoria Risinger used 6,000 gallons of water at her house. Then in August she allegedly used 27,000 gallons of water, and in September she allegedly used 42,000 gallons of water. Nothing significant occurred at Victoria Risinger's home that would explain this massive increase in alleged water usage. Victoria Risinger's water bill went from \$113.92 to \$234.35.

In June of 2016, according to Quadvest, Jill Westbrook used 22,000 gallons of water at her house followed by 19,000 gallons in July. Then in August she allegedly used 47,000 gallons of water, and in September she allegedly used 58,000 gallons of water. Nothing significant occurred at Jill Westbrook's home that would explain this massive increase in alleged water usage. Jill Westbrook's water bill went from \$157.86 to \$305.71.

All of the Plaintiffs and Members of the Class experienced the same unexplained massive increases in alleged water usage. Many Plaintiffs and Class Members are being charged for using more than 100,000 gallons of water a month. When they called Quadvest, many of them were told they must have a leak or that the smart meters were accounting for their actual usage, unlike the meters previously used by Quadvest.

According to the United States Environmental Protection Agency, the average house uses 12,000 gallons of water a month.¹ Quadvest is claiming its customers use more than 50,000 gallons of water a month and up to 120,000 gallons a month.

In addition to overestimating water usage and overcharging its customers, it is believed that Quadvest is overcharging pass-through-fees. Quadvest contracted with its customers to charge \$1.93 per 1000 gallon used for pass-through-fees and is charges more than 25% more than the contracted price.

DAMAGES

Plaintiffs ask the PUC to waive jurisdiction and allow this case to move forward as a class action lawsuit in District Court. In the alternative, Plaintiffs ask the PUC to require Quadvest to correct and modify all of the smart meters it installed, refund all of the overcharged amounts related to the inflated water usage, refund all overcharges pass-through fees, award Plaintiffs actual damages, award Plaintiffs all reasonable attorney's fees, and award Plaintiffs punitive damages.

Plaintiffs seek all money damages, punitive damages, attorney fees, and any other relief allowed under Texas law and deemed appropriate by this Court, which is believed to exceed the jurisdictional requirement of this court.

¹<https://www3.epa.gov/watersense/pubs/indoor.html>

Respectfully Submitted,

HANSZEN LAPORTE, LLP

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